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## NEWS RELEASE REPORTING SALE

## REILLY TAR &amp; CHEMICAL CORPORATION LAND

Reilly Tar & Chemical Corporation of Indianapolis, Indiana, today announced that it recently completed negotiations for the sale of its property in St. Louis Park to the City of St. Louis Park. The announcement was made by Mr. Thomas J. Ryan, Vice President of the Company in Indianapolis.

The predecessors of the Company first acquired a portion of the Company property in St. Louis Park in 1917. Additional land was purchased in the 1920's and since 1917 the Company has been engaged in the refining of coal tar and the treating of wood products with creosote preservative.

According to Company representatives here, Herbert Finch, Plant Manager, and Thomas E. Reiersjord, attorney, a brief summary of events leading up to the sale is as follows:

City officials requested a meeting with top Company Officers early in 1970 and in response, the President of the Company, Mr. P. C. Reilly, and other executives met with the St. Louis Park City Council and several of the City's staff personnel in May 1970. At that time, the City informed the Company that it intended to acquire a right-of-way for Louisiana Avenue through the Company property; and because this right-of-way would disrupt railroad traffic into the Company's property, that the Company should take this factor into consideration in determining whether or not to make any further improvements to its St. Louis Park Plant.

At that time the Company also found itself in the position of being required to substantially improve its plant facilities in order to comply with new standards for water and air pollution control which had been enacted at all levels of Government. However, the Company faced the prospect that all of these improvements would have to be scrapped if the City carried out its plans to extend Louisiana Avenue through the Plant property.

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In October 1970, a lawsuit was brought by the State of Minnesota and the City of St. Louis Park to require installation of pollution control equipment.

In 1971, the St. Louis Park City Council adopted a route for Louisiana Avenue through the Company's property, and also adopted a plan to acquire the North 25 acres of the company's land for a Park.

Company Officials found that the loss of part of the land, and of the rail connection would make it impossible to continue plant operations, and would damage the remaining Company land to the point where the Company decided it was most practical to sell the entire tract, if the City was interested.

When sale negotiations were started, the pending litigation was held in abeyance. Negotiations have now been concluded, and the purchase agreement calls for a closing of the sale in late 1972.